

## Message Text

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ACTION ARA-20

INFO OCT-01 EUR-25 ISO-00 INT-08 EB-11 COME-00 AID-20

XMB-07 OPIC-12 CIAE-00 INR-10 NSAE-00 RSC-01 PA-04

PRS-01 USIA-15 DRC-01 EA-11 /147 W

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R 171459Z DEC 73

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 6891

INFO AMEMBASSY OTTAWA

LIMITED OFFICIAL USE SANTIAGO 6149

E.O. 11652: N/A

TAGS: EMIN, CI

SUBJECT: FOREIGN MINING FIRMS SHOW RENEWED INVESTMENT INTEREST  
IN CHILE

1. IN RECENT COURTESY CALL BY CHARGE ON MINISTER OF MINING YOVANE, MINISTER STRESSED GOC INTEREST IN HAVING REPRESENTATIVES OF US MINING COMPANIES VISIT CHILE TO DISCUSS DEVELOPMENT OF SEVERAL PROVEN MINERAL DEPOSITS. HE SAID FIVE JAPANESE MISSIONS HAVE ALREADY BEEN HERE. ACCORDING MINISTER, SOUTH AFRICANS HAVE AGREED TO HELP DEVELOP LARGE, OPEN-PIT, LIGNITE COAL DEPOSIT AND COMPLEMENTARY COMPLEXES TO PRODUCE GASOLINE AND HYDROCARBON PRODUCTS FROM COAL. ANOTHER LARGE-SCALE PROJECT WHICH, ACCORDING TO YOVANE, IS ATTRACTING INTERNATIONAL ATTENTION IS LARGE IRON ORE BODY IN ATACAMA DESERT. YOVANE INDICATED GOC PRESENTLY PLANS TO TRY TO NEGOTIATE INVESTMENTS DIRECTLY WITH INDIVIDUAL FIRMS RATHER THAN CALL FOR INTERNATIONAL COMPETITIVE BIDDING FOR MINING RIGHTS.

2. AT LEAST TWO US MINING FIRMS HAVE, IN FACT, ALREADY TALKED WITH CHILEAN OFFICIALS IN SANTIAGO DURING RECENTLY DAYS ABOUT NEW INVESTMENT HERE. LARGE SUPERIOR OIL DELEGATION HEADED BY HOWARD KECK (AND INCLUDING PRESIDENT OF FALCON BRIDGE, SUPERIOR'S CANADIAN MINING SUBSIDIARY) MET WITH VARIOUS GOC OFFICIALS EARLY DECEMBER CONCERNING NEW COPPER PROPERTIES AND REPORTEDLY EXPECTS

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TO SEND TECHNICAL DELEGATION TO CHILE FOR FURTHER INVESTIGATION  
IN JANUARY. TED SORENSON AND MARC GARSIN OF LEON TEMPELSMAN AND

SON WERE IN SANTIAGO THIS WEEK AND, BASED ON THEIR ENCOURAGING CONVERSATIONS WITH COPPER AUTHORITIES, ALSO EXPECT SEND TECHNICAL TEAM BEFORE END JANUARY. CANADIAN EMBASSY SOURCE REPORTS MORANDA MINING COMPANY HAS SIMILAR PLANS.

3. COMMENT: A NEW MINING BOOM MAY BE DEVELOPING IN CHILE. CONVERTING PRELIMINARY PLANS INTO REALITY WILL TAKE TIME AND DEPEND ON GOC ADOPTING ATTRACTIVE POLICIES AS WELL AS CONVINCING COMPANIES THAT CHILE WILL HAVE POLITICAL STABILITY IN YEARS AHEAD.

4. ACTION REQUESTED: SINCE YOVANE WAS EMPHATIC ABOUT WANTING VISITS BY MORE US MINING COMPANIES TO LOOK AT PROSPECTS HERE, STATE AND COMMERCE MAY WISH TO CONSIDER DISCREETLY PASSING WORD TO INTERESTED PARTIES.  
THOMPSON

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MINING, COAL, IRON, COPPER, INVESTMENT OPPORTUNITIES  
**Control Number:** n/a  
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**Draft Date:** 17 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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